

**Appropriations Committee  
Health Subcommittee  
February 24, 2022**

**Public Hearing on:  
House Bill 5037 AAC the State Budget for the Biennium Ending June 30th, 2023  
(Department of Developmental Services)**

Good afternoon/evening, Senator Osten, Representative Walker, Senator Miner, Representative France and members of the Appropriations Committee. My name is Michael Carnright. I am an Assistant Director at CW Resources. Thank you for the opportunity to provide my written testimony on the state budget.

CW Resources is a not for profit agency headquartered in New Britain CT. CW provides day and employment services programs for individuals with Developmental Disabilities. CW Resources has programs located in New Britain, Bristol, West Hartford, Watertown and Uncasville. Additionally, CW prepares and delivers Meals on Wheels throughout the State of Connecticut.

I want to thank you for the 4% Cost of Living Adjustment (COLA) for community nonprofits that you fought to include in last year's budget. I am here to ask you to honor the long-term plan to address underfunding of community nonprofits and increase funding this year by an additional \$461 million, or 8% in total for FY23.

This funding is needed now more than ever. Without it, we risk destabilizing our state's community service delivery system, which has been upended by the pressures of COVID-19 and an exponential increase in the need for service in our communities. At the same time, we are facing unprecedented challenges recruiting and retaining staff of all skill levels and salaries.

Over the past 2 years, CW Resources was forced to make some very difficult decisions due to budgetary reasons. In July 2020, CW made the decision to close its Greater Hartford Program located in West Hartford and move it to our New Britain headquarters in order to slash expenses. This in-turn triggered the program to downsize. In the process, 3 staff positions were eliminated and 13 fewer individuals are being served at the program. The move caused transportation issues for many of the individuals that could not be overcome.

In July 2021, CW Resources closed Huskies' Café in the Campbell Building in Norwich. This program served 9 individuals. These individuals prepared and served meals for DMHAS' Brief Care unit as well as operating a full service cafeteria. This was a 7 day per week operation. It was a tough decision to close the café but the program was struggling prior to the COVID pandemic due to lack of increases in both the Brief care contract and DDS contract for those that we serve. The pandemic exacerbated the precarious budgetary situation and CW had no choice but to close the program.

In January 2022, CW Resources moved its Greater Waterbury Program. The program moved from a large facility in Naugatuck to a much smaller building in Watertown. We were not able to afford the rising costs associated with the building and needed to reduce our expenses. Again, our individuals are experiencing difficulty navigating the greater distances that they must now endure. It is too soon to

determine how many individuals the program will no longer be serving or the amount of staffing changes this may cause. These actions were difficult and painful to make but necessary.

Human services are now in recruitment competition with companies like Amazon and Walmart that require no specialized training, are paying more and offering hiring incentives. Clinical staff are being lured away by lucrative offers from school districts and telehealth companies. Across the state, The Alliance found that 18%, nearly 1 in 5, nonprofit jobs are vacant right now. The vacant positions are affecting those that need specialized and enhanced care. CW Resources has a number of individuals who require such care who are ready and waiting to return to our programs but cannot because we do not have the staff to provide the services. CW is finding it difficult to recruit and hire qualified staff to meet the needs of these individuals.

Over the last year, inflation rose by almost six percent, surpassing the COLA in the current year's budget, which was earmarked specifically for salaries. CW Resources is experiencing, like every other entity, increase costs across the board. In addition to the increased costs of Staff salaries and benefits, we are burdened by increasing fuel costs for vehicles, utilities and overall day-to-day costs of operation.

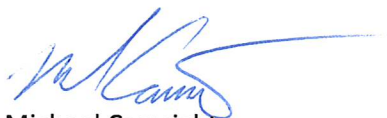
Nonprofit Providers funded by the Department of Developmental Services are grateful for the efforts of the Appropriations Committee and Governor Lamont to address wage and funding issues specific to services for the Intellectual/Developmental Disabilities population. Last year's Group Home Settlement provided significant funding to increase the minimum wage for direct support staff in DDS agencies.

However, the group home settlement also created significant challenges:

- First, the terms of the settlement provided wage increases of as much as 11.6% for entry-level staff, which next year will increase to 14.5%. The agreement only provides a 3% increase to everyone else. Staff who before July were making only slightly above the new minimum, often people who had years or decades of experience or managing other staff, found themselves suddenly paid almost the same as a new hire.
- Second, the funding dedicated a pool of dollars to enhance employee benefits, but to date none of that funding has been disbursed to providers. We understand it to total less than half what providers have told DDS they would need.

In closing, I ask to please do the right thing and continue to support Connecticut non-profits by working toward an adequate funding system which reimburses providers for the cost of care that they provide. The requested 8% increase in funding would enable the non-profit community to continue to provide quality and necessary services for those in need.

Sincerely,



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